



Florida Power & Light Company, P. O. Box 029100, Miami, FL 33102-9100

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July 27, 1995

OVERNIGHT MAIL

DOCKET FILE COPY ORIGINAL

JUL 28 1995

William F. Caton, Acting Secretary  
Federal Communications Commission  
1919 M Street, NW - Room 222  
Washington, DC 20554

FOURTH FLOOR

Re: American Cablesystems v. Florida Power & Light  
CC Docket No. 95-95: File No. PA 91-0012

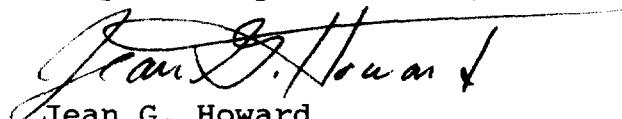
Dear Mr. Caton:

On behalf of Florida Power & Light Company enclosed is FPL's Reply to Americable's Opposition to FPL's Petition for Reconsideration along with the six copies.

Please stamp and return the additional first page of the reply enclosed for that purpose in the stamped, self-addressed envelope. Thank you.

Please call me if you have any questions regarding this matter.

Respectfully submitted,

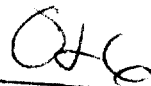
  
Jean G. Howard  
Senior Attorney

JGH:gr

Enclosures

cc: Parties on attached service list.

No. of Copies rec'd  
List A B C D E



**CERTIFICATE OF SERVICE**

I, Giovanna Roque, legal secretary, certify that the foregoing was mailed this 22<sup>nd</sup> day of July, 1995 by overnight mail to William F. Caton, Esquire, Acting Secretary, Federal Communications Commission, 1919 M. Street, NW - Room 222, Washington, D.C. 20554 and a copy to:

Hon. Edward Luton  
Administrative Law Judge  
Federal Communications Commission  
2000 L. Street N.W. - Suite 227  
Washington, D.C. 20036

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By: Giovanna A. Roque  
Giovanna A. Roque

BEFORE THE  
FEDERAL COMMUNICATIONS COMMISSION  
WASHINGTON, D.C.

JUL 28 1995

PC MAIL ROOM

DOCKET FILE COPY ORIGINAL

In the Matter of )  
 )  
American Cablesystems of )  
Florida Ltd., d/b/a Continental )  
Cablevision of Broward County, )  
and )  
 )  
Continental Cablevision of )  
Jacksonville, Inc. )  
 )  
Complainants, )  
 )  
v. )  
Florida Power & Light Company )  
 )  
Respondent )

CC Docket No. 95-95

PA 91-0012

To: Chief, Common Carrier Bureau

**FPL's REPLY TO AMERICAN'S OPPOSITION FOR RECONSIDERATION**

Respondent, Florida Power & Light Company, respectfully replies to Complainants' ("American") Opposition to FPL's Petition for Reconsideration ("Opposition").

Contrary to the American's representations, there has not been a single case cited by American or known to Respondent where the Commission has denied a utility use of subaccount 369.1 in

calculating its pole attachment rate pursuant to the Commission formula where that was the only change made in the formula and where that account was reported in the utility's FERC Form 1. Prior Commission rulings support FPL, not American.

The Commission has consistently considered two aspects in the application of its formula for pole attachment rates: (1) whether the use of a particular account makes the pole attachment rate more accurate and (2) whether the use of that more accurate account is offset--and for that reason impermissible--by the fact that such account is not a matter of public record and, therefore, would contravene the statutory requirement for a simple and expeditious process for determining pole attachment rates. FPL's use of subaccount 369.1 meets both those requirements: (1) it results in a more accurate rate calculation and (2) allocation of those expenses to that account is readily obtainable from FPL FERC Form 1 so that calculation of the FPL rate is not unduly complicated or delayed by attempting to obtain such data or by having to go through a rate case.

American, in its Complaint and in its Opposition, blatantly ignores facts. It also blatantly ignores the plain statement of the Commission in Warner Amex Cable Communications, Inc. v. Arkansas Power & Light Co. PA-82-0019, Mimeo No. 100 (October 11, 1983). In paragraph 13 of that opinion, the Commission unequivocally stated that "We agree with APL that use

of Subaccount 369.1, which includes expenses only for overhead services, would be more accurate here than one which includes expenses only for both overhead and underground services." (Emphasis added.)

Use of subaccount 369.1 satisfies the accuracy requirement. The Commission agrees and has said so, Id. American, however, contrary to the evidence and affidavits in FPL's Response and contrary to the Commission's finding above, alleges the FPL's use of subaccount 369.1 "upsets" the balance of the FCC formula. FPL again asks for evidence and facts to support this unfounded (and insupportable) allegation. See Affidavit of Rosemary Morley attached to the FPL Response; see Warner Amex Cable Communications, Inc. v. Arkansas Power & Light Company, supra.

The sole reason that the Commission refused to allow APL use of subaccount 369.1 was that APL did not report this account on its FERC Form 1. The Commission stated this reason clearly and immediately by continuing: "However, overhead expenses are not reported in a separate account in FERC Form 1, and to provide the kind of detail necessary to support allocation of the accounts used to compute the components of the carrying charges would unduly complicate and unnecessarily delay the process of determining the maximum lawful rate. This would contravene the statutory mandate in favor of a simple and expeditious process rather than a full-blown rate case. [citations omitted] Therefore, we reject APL's

methodology and accept the formula used by Warner Amex. Applying the figures supplied from APL's 1981 FERC of the FPL Form 1 in the formula we calculate the maintenance charge to be 2.47 percent." Id. (Emphasis added.) American, again, ignores this plain statement and ruling of the Commission.

This failure of APL to report the subaccount 369.1 in the FERC Form 1 is the sole reason the Commission denied use of subaccount 369.1. American, however, tries to obfuscate this clear statement of the Commission by turning the balancing issue on its head.

Unlike FPL, APL attempted to distort the balancing aspect of the maintenance charge by using the entire range of maintenance expense accounts--not just the 593 account allowed by the Commission formula. APL attempted to add accounts 590-2 and 594-8 to the expense portion of the maintenance charge. These accounts are unrelated to poles. See Exhibit A attached.

The Commission, therefore, denied APL the use of inflating the maintenance expense portion of the pole attachment formula by adding these accounts which were not related to poles. The Commission stated: "Only accounts which represent expenses attributable to poles are used in the formula." APL's use of Accounts 590-2 and 594-8 must be rejected as not conforming to this standard." (Emphasis added.) Id. FPL's numerator and denominator are in balance as the corresponding service accounts and expense

accounts are used. See Affidavit of Rosemary Morley attached to the FPL Response.

The Commission justifies inaccurate, i.e., unbalanced, portions of the formula contained within the specified accounts to remain where the "imbalance" is small and where statutory requirement for a simple and expeditious rate calculation can be satisfied only because the data is available from the FERC Form 1. Where, as in the FPL case under consideration, corresponding expense and service accounts are used in the numerator and in the denominator, and FPL does not add accounts not authorized by the Commission formula, the account is in balance, the rate is more accurate and the only consideration is whether the Account is reported in the FERC Form 1. This is what the Commission says in its footnote 3 in the Warner Amex Cable Communications, Inc. v. Arkansas Power & Light Company, supra.

Under the distorted reasoning of American, however, the Commission could never apply a more accurate pole attachment rate. Under American's reasoning the Commission could not have stated as it did in Booth American Company v. Duke Power Company, FA-82-0068 (Released March 22, 1984), n. 4 and pages 4-5), that it would consider deviating from the established formula if a convincing reason could be shown for such deviation. In the Booth case, supra, Duke Power Company wanted to totally exclude account 369 from the denominator and, as in the APL case, supra, also wanted to include

additional expenses in the numerator in accounts that were not reported in its FERC Form 1. Thus, both criteria were not met--the balance was clearly thrown off --i.e, the calculation became more inaccurate--and the data was not publicly available. Neither of these considerations is present in the FPL case. There is absolutely no fact or basis to find that in the FPL case a disaggregation of FPL's 593 account would result in a more accurate account or in a rate more favorable to the cable company.<sup>1</sup>

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<sup>1</sup>For example, American relies on a Kentucky rate case in which pole attachment rates were one issue before the state Public Service Commission and--where there is no evidence that the state has adopted or applies the Commission's rate formula in approving pole attachment rates. Reply, pages 4-5. Not only is the Kentucky situation totally irrelevant to application of the Commission's formula to the FPL case, but American knows by looking at FPL's FERC form that FPL does not report its account 593 in the same manner as Kentucky did in Kentucky's rate making case. Moreover, FPL takes strong exception to the tone and insinuations in American's Reply. FPL has always provided information when requested. American never requested the information that it now claims in its Reply that "FPL is not saying." That is a gross misrepresentation. Moreover, and as a matter of fact, FPL does not keep subaccounts in account 593 as does Kentucky, further rendering American's allegation spurious.

As a further example of unfounded statements, American proclaims on page 11 of its Complaint that through 1986, FPL's separate records of Account 364 confirmed that 37 percent of that account consisted of appurtenances other than poles and cites to Exhibit H. FPL in preparing this response, estimated that this actual figure is now less than 10%. Therefore, American's rate would increase--not decrease if FPL were to use actual expenses--not the 15% allowed by Commission ruling. Since this figure is not reported to FERC in a separate subaccount, however, FPL uses the 15% approved by Commission ruling.



American further ignores the evidence supported by affidavit of Albert Farinelli, Jr. in FPL's Response and claims that FPL "gratuitously volunteer[s] selected subaccounts" . . . only as is suited to its inflationary purpose." American's Objection, page 2.

Not only is this allegation unfounded by fact or evidence and contrary to the evidence provided by FPL, it is patently absurd. In 1994, for example, FPL had over 5.3 billion dollars in revenue. For that same year, the entire revenue from cable attachments--not just from American--amounted to less than .06 percent or less than one tenth of one percent of FPL revenues. To allege, as American does, that FPL changed its depreciation methodology of accounting, went to a rate making case with the Florida Public Service Commission to have this depreciation accounting methodology approved, and was required by FERC then to report the depreciation accounts, including subaccount 369.1 in FPL's FERC Form 1, all because FPL wished to "tinker" with American's pole attachment rate, is ludicrous.

FPL has presented testimony by affidavit that it was requested by FERC to provide information on FPL's FERC Form by the FERC account or subaccount which was consistent with the actual calculation of the depreciation rates implemented. Affidavit of Albert Farinelli, Jr. in FPL's Response. American now is questioning FERC and, in essence, calling Mr. Farinelli a liar.

American's argument is based on nothing more than purple rhetoric. Not only is it inaccurate to state the FERC did not require FPL to report this account on its FERC Form 1, but the Commission's order and the statutory requirement for publicly available data rely on that fact alone: that the data be reported in the utility's FERC form.

The requirement is that the amount in the subaccounts be publicly available. The goal and responsibility of the Commission is not to question FERC methodology or directions of FERC to individual utilities. FPL believes that the goal and responsibility of the Commission as stated in its order and as required by statute and law is to ensure a fair and reasonable pole attachment rate based on the most accurate rate possible when weighed against the need to use publicly available data from the FERC form in calculating that rate.

American's brief and opposition consists of unfounded, gratuitous, and irrelevant accusations and legal generalities not applicable to the case at hand. FPL has presented sworn testimony by affidavit and argued Commission rulings based on the facts and in support of its case. FPL respectfully requests that the Commission reconsider the facts, evidence and Commission rulings

that have been presented to it and to uphold FPL's use of  
subaccount 369.1.

Respectfully submitted,

FLORIDA POWER & LIGHT COMPANY

By   
Jean G. Howard, Attorney

Florida Power & Light Company  
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Washington, D.C. 20005

July 27, 1995

**CERTIFICATE OF SERVICE**

I Giovanna A. Roque certify that the foregoing Reply to American's Opposition for Reconsideration was mailed this 27<sup>th</sup> day of July, 1995 by overnight mail to William F. Caton, Esquire, Acting Secretary, Federal Communications Commission, 1919 M. Street, NW - Room 222, Washington, D.C. 20554 and a copy to:

Hon. Edward Luton  
Administrative Law Judge  
Federal Communications Commission  
2000 L. Street N.W. - Suite 227  
Washington, D.C. 20036

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By: Giovanna A. Roque  
Giovanna A. Roque

EXHIBIT "A"

B. For Major utilities, this account shall include the cost of labor, materials used and expenses incurred in: (a) The operation of street lighting and signal system plant which is owned or leased by the utility; and (b) the operation and maintenance of such plant owned by customers where such work is done regularly as a part of the street lighting and signal system service.

## ITEMS

## Labor:

1. Supervising street lighting and signal systems operation.
2. Replacing lamps and incidental cleaning of glassware and fixtures in connection therewith.
3. Routine patrolling for lamp outages, extraneous nuisances or encroachments, etc.
4. Testing lines and equipment including voltage and current measurement.
5. Winding and inspection of time switch and other controls.

## Materials and Expenses:

6. Street lamp renewals.
7. Transportation and tool expense.
8. Meals, traveling, and incidental expenses.

## 586 Meter expenses.

This account shall include the cost of labor, materials used and expenses incurred in the operation of customer meters and associated equipment.

## ITEMS

## Labor:

1. Supervising meter operation.
2. Clerical work on meter history and associated equipment record cards, test cards, and reports.
3. Disconnecting and reconnecting, removing and reinstalling, sealing and unsealing meters and other metering equipment in connection with initiating or terminating services including the cost of obtaining meter readings, if incidental to such operation.
4. Consolidating meter installations due to elimination of separate meters for different rates of service.
5. Changing or relocating meters, instrument transformers, time switches, and other metering equipment.
6. Resetting time controls, checking operation of demand meters and other metering equipment, when done as an independent operation.
7. Inspecting and adjusting meter testing equipment.
8. Inspecting and testing meters, instrument transformers, time switches, and other

metering equipment on premises or in shops excluding inspecting and testing incidental to maintenance

## Materials and Expenses:

9. Meter seals and miscellaneous meter supplies.
10. Transportation expenses.
11. Meals, traveling, and incidental expenses.
12. Tool expenses.

NOTE: The cost of the first setting and testing of a meter is chargeable to utility plant account 370, Meters.

## 587 Customer installations expenses.

This account shall include the cost of labor, materials used and expenses incurred in work on customer installations in inspecting premises and in rendering services to customers of the nature of those indicated by the list of items hereunder.

## ITEMS

## Labor:

1. Supervising customer installations work.
2. Inspecting premises, including check of wiring for code compliance.
3. Investigating, locating, and clearing grounds on customers' wiring.
4. Investigating service complaints, including load tests of motors and lighting and power circuits on customers' premises; field investigations of complaints on bills or of voltage.
5. Installing, removing, renewing, and changing lamps and fuses.
6. Radio, television and similar interference work including erection of new aerials on customers' premises and patrolling of lines, testing of lightning arresters, inspection of pole hardware, etc., and examination on or off premises of customers' appliances, wiring, or equipment to locate cause of interference.
7. Installing, connecting, reinstalling, or removing leased property on customers' premises.
8. Testing, adjusting, and repairing customers' fixtures and appliances in shop or on premises.
9. Cost of changing customers' equipment due to changes in service characteristics.
10. Investigation of current diversion including setting and removal of check meters and securing special readings thereon; special calls by employees in connection with discovery and settlement of current diversion; changes in customer wiring and any other labor cost identifiable as caused by current diversion.

## Materials and Expenses:

11. Lamp and fuse renewals.
12. Materials used in servicing customers' fixtures, appliances and equipment.
13. Power, light, heat, telephone, and other expenses of appliance repair department.
14. Tool expense.
15. Transportation expense, including pickup and delivery charges.
16. Meals, traveling and incidental expenses.
17. Rewards paid for discovery of current diversion.

NOTE A: Amounts billed customers for any work, the cost of which is charged to this account, shall be credited to this account. Any excess over costs resulting therefrom shall be transferred to account 451, Miscellaneous Service Revenues.

NOTE B: Do not include in this account expenses incurred in connection with merchandising, jobbing and contract work.

## 588 Miscellaneous distribution expenses.

This account shall include the cost of labor, materials used and expenses incurred in distribution system operation not provided for elsewhere.

## ITEMS

## Labor:

1. General records of physical characteristics of lines and substations, such as capacities, etc.
2. Ground resistance records.
3. Joint pole maps and records.
4. Distribution system voltage and load records.
5. Preparing maps and prints.
6. Service interruption and trouble records.
7. General clerical and stenographic work except that chargeable to account 586, Meter expenses.

## Expenses:

8. Operating records covering poles, transformers, manholes, cables, and other distribution facilities. Exclude meter records chargeable to account 586, Meter Expenses and station records chargeable to account 582, Station Expenses (For Nonmajor utilities, account 581.1, Line and Station Expenses), and stores records (For Nonmajor utilities, station records) chargeable to account 163, Stores Expense Undistributed (For Nonmajor utilities, account 581.1, Line and Station Expenses).
9. Janitor work at distribution office buildings including snow removal, cutting grass, etc.

## Materials and Expenses:

10. Communication service.
11. Building service expenses.

12. Miscellaneous office supplies and expenses, printing, and stationery, maps and records and first-aid supplies.
13. Research, development, and demonstration expenses (Major only).

## 589 Rents.

This account shall include rents of property of others used, occupied, or operated in connection with the distribution system, including payments to the United States and others for the use and occupancy of public lands and reservations for distribution line rights of way. (See operating expense instruction 3.)

## 590 Maintenance supervision and engineering (Major only).

This account shall include the cost of labor and expenses incurred in the general supervision and direction of maintenance of the distribution system. Direct field supervision of specific jobs shall be charged to the appropriate maintenance account. (See operating expense instruction 1.)

## 591 Maintenance of structures (Major only).

This account shall include the cost of labor, materials used and expenses incurred in maintenance of structures, the book cost of which is includible in account 361, Structures and Improvements. (See operating expense instruction 2.)

## 592 Maintenance of station equipment (Major only).

This account shall include the cost of labor, materials used and expenses incurred in maintenance of plant, the book cost of which is includible in account 362, Station Equipment, and account 363, Storage Battery Equipment. (See operating expense instruction 2.)

## 592.1 Maintenance of structures and equipment (Nonmajor only).

This account shall include the cost of labor, materials used and expenses incurred in maintenance of structures, the book cost of which is includible in account 361, Structures and Improvements, account 362, Station Equipment, and account 363, Storage Bat-

tery Equipment. (See operating expense instruction 2.)

### 593 Maintenance of overhead lines (Major only).

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of overhead distribution line facilities, the book cost of which is includible in account 364, Poles, Towers and Fixtures, account 365, Overhead Conductors and Devices, and account 369, Services. (See operating expense instruction 2.)

#### ITEMS

1. Work of the following character on poles, towers, and fixtures:
  - a. Installing additional clamps or removing clamps or strain insulators on guys in place.
  - b. Moving line or guy pole in relocation of pole or section of line.
  - c. Painting poles, towers, crossarms, or pole extensions.
  - d. Readjusting and changing position of guys or braces.
  - e. Realigning and straightening poles, crossarms, braces, pins, racks, brackets, and other pole fixtures.
  - f. Reconditioning reclaimed pole fixtures.
  - g. Relocating crossarms, racks, brackets, and other fixtures on poles.
  - h. Repairing pole supported platform.
  - i. Repairs by others to jointly owned poles.
  - j. Shaving, cutting rot, or treating poles or crossarms in use or salvaged for reuse.
  - k. Stubbing poles already in service.
  - l. Supporting conductors, transformers, and other fixtures and transferring them to new poles during pole replacements.
  - m. Maintaining pole signs, stencils, tags, etc.
2. Work of the following character on overhead conductors and devices:
  - a. Overhauling and repairing line cutouts, line switches, line breakers, and capacitor installations.
  - b. Cleaning insulators and bushings.
  - c. Refusing line cutouts.
  - d. Repairing line oil circuit breakers and associated relays and control wiring.
  - e. Repairing grounds.
  - f. Resagging, retying, or rearranging position or spacing of conductors.
  - g. Standing by phones, going to calls, cutting faulty lines clear, or similar activities at times of emergency.
  - h. Sampling, testing, changing, purifying, and replenishing insulating oil.
  - i. Transferring loads, switching, and reconnecting circuits and equipment for maintenance purposes.
  - j. Repairing line testing equipment.

- k. Trimming trees and clearing brush.
1. Chemical treatment of right of way area when occurring subsequent to construction of line.
3. Work of the following character on overhead services:
  - a. Moving position of service either on pole or on customers' premises.
  - b. Pulling slack in service wire.
  - c. Retying service wire.
  - d. Refastening or tightening service bracket.

### 594 Maintenance of underground lines (Major only).

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of underground distribution line facilities, the book cost of which is includible in account 366, Underground Conduit, account 367, Underground Conductors and Devices, and account 369, Services. (See operating expense instruction 2.)

#### ITEMS

1. Work of the following character on underground conduit:
  - a. Cleaning ducts, manholes, and sewer connections.
  - b. Moving or changing position of conduit or pipe.
  - c. Minor alterations of handholes, manholes, or vaults.
  - d. Refastening, repairing, or moving racks, ladders, or hangers in manholes or vaults.
  - e. Plugging and shelving ducts.
  - f. Repairs to sewers, drains, walls, and floors, rings and covers.
2. Work of the following character on underground conductors and devices:
  - a. Repairing circuit breakers, switches, cutouts, network protectors, and associated relays and control wiring.
  - b. Repairing grounds.
  - c. Retraining and reconnecting cables in manholes including transfer of cables from one duct to another.
  - d. Repairing conductors and splices.
  - e. Repairing or moving junction boxes and potheads.
  - f. Refireproofing cables and repairing supports.
  - g. Repairing electrolysis preventive devices for cables.
  - h. Repairing cable bonding systems.
  - i. Sampling, testing, changing, purifying and replenishing insulating oil.
  - j. Transferring loads, switching and reconnecting circuits and equipment for maintenance purposes.
  - k. Repairing line testing equipment.

1. Repairing oil or gas equipment in high voltage cable systems and replacement of oil or gas.
3. Work of the following character on underground services:
  - a. Cleaning ducts.
  - b. Repairing any underground service plant.

### 594.1 Maintenance of lines (Nonmajor only).

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of distribution line facilities, the book cost of which is includible in account 364, Poles, Towers and Fixtures, account 365, Overhead Conductors and Devices, account 366, Underground Conduit, account 367, Underground Conductors and Devices, and account 369, Services. (See operating expense instruction 2.)

#### ITEMS

1. Work of the following character on poles, towers, and fixtures:
  - a. Installing additional clamps or removing clamps or strain insulators on guys in place.
  - b. Moving line or guy pole in relocation of pole or section of line.
  - c. Painting poles, towers, crossarms, or pole extensions.
  - d. Readjusting and changing position of guys or braces.
  - e. Realigning and straightening poles, crossarms, braces, pins, racks, brackets, and other pole fixtures.
  - f. Reconditioning reclaimed pole fixtures.
  - g. Relocating crossarms, racks, brackets, and other fixtures on pole.
  - h. Repairing pole supported platform.
  - i. Repairs by others to jointly owned poles.
  - j. Shaving, cutting rot, or treating poles or crossarms in use or salvage for reuse.
  - k. Stubbing poles already in service.
  - l. Supporting conductors, transformers, and other fixtures and transferring them to new poles during pole replacement.
  - m. Maintaining pole signs, stencils, tags, etc.
2. Work of the following character on overhead conductors and devices:
  - a. Overhauling and repairing line cutouts, line switches, line breakers, and capacitor installations.
  - b. Cleaning insulators and bushings.
  - c. Refusing line cutouts.
  - d. Repairing line oil circuit breakers and associated relays and control wiring.
  - e. Repairing grounds.
  - f. Resagging, retying, or rearranging position or spacing of conductors.

- g. Standing by phones, going to calls, cutting faulty lines clear, or similar activities at times of emergencies.
- h. Sampling, testing, changing, purifying, and replenishing insulating oil.
- i. Transferring loads, switching, and reconnecting circuits and equipment for maintenance purposes.
- j. Repairing line testing equipment.
- k. Trimming trees and clearing brush.
1. Chemical treatment of right of way area when occurring subsequent to construction of line.
3. Work of the following character on underground conduit:
  - a. Cleaning ducts, manholes, and sewer connections.
  - b. Moving or changing position of conduit or pipe.
  - c. Minor alterations of handholes, manholes, or vaults.
  - d. Refastening, repairing or moving racks, ladders, or hangers in manholes or vaults.
  - e. Plugging and shelving ducts.
  - f. Repairs to sewers, drains, walls and floors, rings and covers.
4. Work of the following character on underground conductors and devices:
  - a. Repairing circuit breakers, switches, cutouts, network protectors, and associated relays and control wiring.
  - b. Repairing grounds.
  - c. Retraining and reconnecting cables in manhole including transfer of cables from one duct to another.
  - d. Repairing conductors and splices.
  - e. Repairing or moving junction boxes and potheads.
  - f. Refireproofing cables and repairing supports.
  - g. Repairing electrolysis preventive devices for cables.
  - h. Repairing cable bonding systems.
  - i. Sampling, testing, changing, purifying and replenishing insulating oil.
  - j. Transferring loads, switching and reconnecting circuits and equipment for maintenance purposes.
  - k. Repairing line testing equipment.
  1. Repairing oil or gas equipment in high voltage cable system and replacement of oil or gas.
5. Work of the following character on services:
  - a. Moving position of service either on pole or on customers' premises.
  - b. Pulling slack in service wire.
  - c. Retying service wire.
  - d. Refastening or tightening service bracket.
  - e. Cleaning ducts.

### 595 Maintenance of line transformers.

This account shall include the cost of labor, materials used and expenses

incurred in maintenance of distribution line transformers, the book cost of which is includible in account 368, Line Transformers. (See operating expense instruction 2.)

#### 596 Maintenance of street lighting and signal systems.

This account shall include the cost of labor, materials used and expenses incurred in maintenance of plant, the book cost of which is includible in account 373, Street Lighting and Signal Systems. (See operating expense instruction 2.)

#### 597 Maintenance of meters.

This account shall include the cost of labor, materials used and expenses incurred in the maintenance of meters and meter testing equipment, the book cost of which is includible in account 370, Meters, and account 395, Laboratory Equipment, respectively. (See operating expense instruction 2.)

#### 598 Maintenance of miscellaneous distribution plant.

This account shall include the cost of labor, materials used and expenses incurred in maintenance of plant, the book cost of which is includible in accounts 371, Installations on Customers' Premises, and 372, Leased Property on Customers' Premises, and any other plant the maintenance of which is assignable to the distribution function and is not provided for elsewhere. (See operating expense instruction 2.)

##### ITEMS

- a. Work of similar nature to that listed in other distribution maintenance accounts.
- b. Maintenance of office furniture and equipment used by distribution system department.

#### 901 Supervision (Major only).

This account shall include the cost of labor and expenses incurred in the general direction and supervision of customer accounting and collecting activities. Direct supervision of a specific activity shall be charged to account 902, Meter Reading Expenses, or account 903, Customer Records and Collection Expenses, as appropriate. (See operating expense instruction 1.)

#### 902 Meter reading expenses.

This account shall include the cost of labor, materials used and expenses incurred in reading customer meters, and determining consumption when performed by employees engaged in reading meters.

##### ITEMS

##### Labor:

1. Addressing forms for obtaining meter readings by mail.
2. Changing and collecting meter charts used for billing purposes.
3. Inspecting time clocks, checking seals, etc., when performed by meter readers and the work represents a minor activity incidental to regular meter reading routine.
4. Reading meters, including demand meters, and obtaining load information for billing purposes. Exclude and charge to account 586, Meter Expenses, or to account 903, Customer Records and Collection Expenses, as applicable, the cost of obtaining meter readings, first and final, if incidental to the operation of removing or resetting, sealing, or locking, and disconnecting or reconnecting meters.
5. Computing consumption from meter reader's book or from reports by mail when done by employees engaged in reading meters.
6. Collecting from prepayment meters when incidental to meter reading.
7. Maintaining record of customers' keys.
8. Computing estimated or average consumption when performed by employees engaged in reading meters.

##### Materials and Expenses:

9. Badges, lamps, and uniforms.
10. Demand charts, meter books and binders and forms for recording readings, but not the cost of preparation.
11. Postage and supplies used in obtaining meter readings by mail.
12. Transportation, meals, and incidental expenses.

#### 903 Customer records and collection expenses.

This account shall include the cost of labor, materials used and expenses incurred in work on customer applications, contracts, orders, credit investigations, billing and accounting, collections and complaints.

##### ITEMS

##### Labor:

1. Receiving, preparing, recording and handling routine orders for service, disconnections, transfers or meter tests initiated

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by the customer, excluding the cost of carrying out such orders, which is chargeable to the account appropriate for the work called for by such orders.

2. Investigations of customers' credit and keeping of records pertaining thereto, including records of uncollectible accounts written off.

3. Receiving, refunding or applying customer deposits and maintaining customer deposit, line extension, and other miscellaneous records.

4. Checking consumption shown by meter readers' reports where incidental to preparation of billing data.

5. Preparing address plates and addressing bills and delinquent notices.

6. Preparing billing data.

7. Operating billing and bookkeeping machines.

8. Verifying billing records with contracts or rate schedules.

9. Preparing bills for delivery, and mailing or delivering bills.

10. Collecting revenues, including collection from prepayment meters unless incidental to meter-reading operations.

11. Balancing collections, preparing collections for deposit, and preparing cash reports.

12. Posting collections and other credits or charges to customer accounts and extending unpaid balances.

13. Balancing customer accounts and controls.

14. Preparing, mailing, or delivering delinquent notices and preparing reports of delinquent accounts.

15. Final meter reading of delinquent accounts when done by collectors incidental to regular activities.

16. Disconnecting and reconnecting service because of nonpayment of bills.

17. Receiving, recording, and handling of inquiries, complaints, and requests for investigations from customers, including preparation of necessary orders, but excluding the cost of carrying out such orders, which is chargeable to the account appropriate for the work called for by such orders.

18. Statistical and tabulating work on customer accounts and revenues, but not including special analyses for sales department, rate department, or other general purposes, unless incidental to regular customer accounting routines.

19. Preparing and periodically rewriting meter reading sheets.

20. Determining consumption and computing estimated or average consumption when performed by employees other than those engaged in reading meters.

##### Materials and Expenses:

21. Address plates and supplies.
22. Cash overages and shortages.

23. Commissions or fees to others for collecting.

24. Payments to credit organizations for investigations and reports.

25. Postage.

26. Transportation expenses (Major only), including transportation of customer bills and meter books under centralized billing procedure.

27. Transportation, meals, and incidental expenses.

28. Bank charges, exchange, and other fees for cashing and depositing customers' checks.

29. Forms for recording orders for services removals, etc.

30. Rent of mechanical equipment.

31. Communication service (Nonmajor only).

32. Miscellaneous office supplies and expenses and stationery and printing (Nonmajor only).

NOTE: The cost of work on meter history and meter location records is chargeable to account 586, Meter Expenses.

#### 904 Uncollectible accounts.

This account shall be charged with amounts sufficient to provide for losses from uncollectible utility revenues. Concurrent credits shall be made to account 144, Accumulated Provision for Uncollectible Accounts—Cr. Losses from uncollectible accounts shall be charged to account 144.

#### 905 Miscellaneous customer accounts expenses (Major only).

This account shall include the cost of labor, materials used and expenses incurred not provided for in other accounts.

##### ITEMS

##### Labor:

1. General clerical and stenographic work.
2. Miscellaneous labor.

##### Materials and Expenses:

3. Communication service.
4. Miscellaneous office supplies and expenses and stationery and printing other than those specifically provided for in accounts 902 and 903.

#### 906 Customer service and informational expenses (Nonmajor only).

This account shall include the cost of supervision, labor, and expenses incurred in customer service and informational activities, the purpose of which is to encourage safe and effi-